

SUMMARY

	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Fund Balance</u>
<u>OTHER AGENCIES</u>				
IN-HOME SUPPORTIVE SERVICES	716	6,193,364	4,840,818	1,352,546
ECONOMIC AND COMMUNITY DEVELOPMENT CORP	720	18,603	12,700	5,903
COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY	722	47,970	1,300	46,670
REDEVELOPMENT AGENCY SUMMARY	724			
SPEEDWAY PROJECT AREA	725	61,537,960	9,703,950	51,834,010
CEDAR GLEN PROJECT AREA	730	9,870,863	119,000	9,751,863
VVEDA PROJECT AREA	732	899,051	138,000	761,051
MISSION BLVD JOINT REDEVELOPMENT PROJECT AREA	734	94,038	42,765	51,273
PROPOSED BLOOMINGTON PROJECT AREA	736	90,181	5,000	85,181
PROPOSED CAJON PROJECT AREA	739	154,942	5,000	149,942



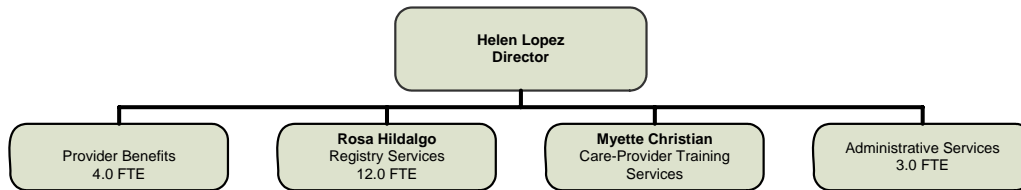
IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY

Helen Lopez

MISSION STATEMENT

The mission of the San Bernardino County In-Home Supportive Services (IHSS) Public Authority is to improve the availability and quality of IHSS and to eliminate barriers to providing assistance and choice for the aged and persons with disabilities who need support services to live independently and with dignity in the community.

ORGANIZATIONAL CHART



In-Home Supportive Services Public Authority

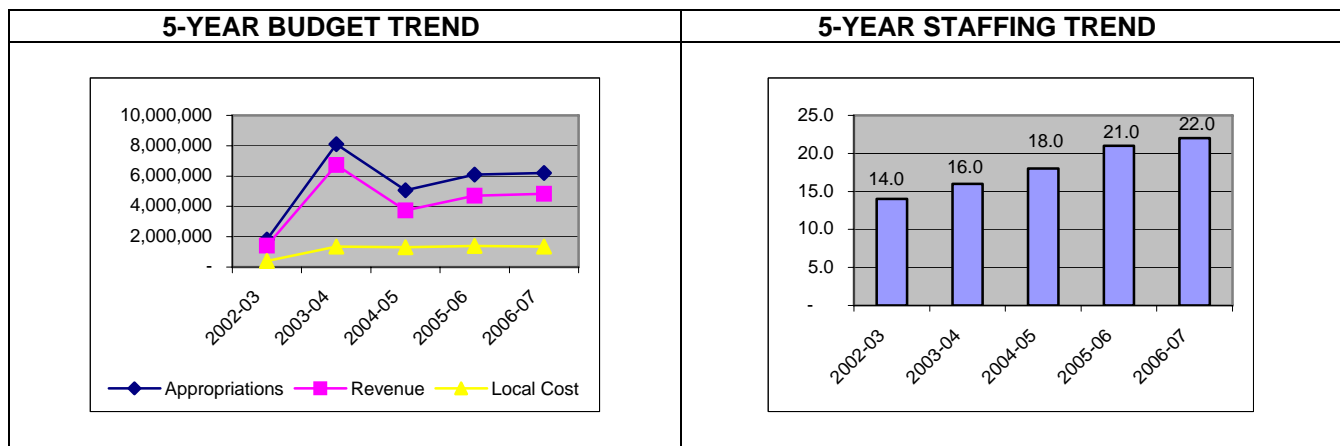
DESCRIPTION OF MAJOR SERVICES

The In-Home Supportive Services (IHSS) program was created in 1973 to serve elderly, blind, and/or disabled individuals who are not able to remain safely in their home without assistance. Section 12302.25 of the Welfare and Institutions Code (WIC) mandates that each county, on or before January 1, 2003, must act as, or establish, an employer of record for collective bargaining purposes for IHSS care providers. The IHSS Public Authority (PA) was established to comply with this mandate.

In addition to its role in collective bargaining, the IHSS PA is required by WIC to provide the following mandated services:

- Establish a registry of potential care providers
- Investigate the background and qualifications of potential care providers
- Refer potential care providers from the registry to IHSS consumers upon request
- Provide training for both IHSS care providers and consumers
- Perform other functions related to the delivery of IHSS as designated by the governing board

BUDGET HISTORY



PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	-	878,910	3,962,137	7,293,920	5,703,416
Departmental Revenue	-	844,316	3,962,208	5,901,639	5,703,416
Local Cost				1,392,281	
Budgeted Staffing				21.0	

Appropriation savings in 2005-06 of \$80,723 in salaries and benefits is anticipated due to four positions not being filled until 2nd quarter.

Appropriation savings of \$116,895 in services and supplies is anticipated due to cost reductions for printing and mailing of open enrollment packets, fingerprinting and background checks for registry providers, legal services for MOU negotiations, and travel expenses.

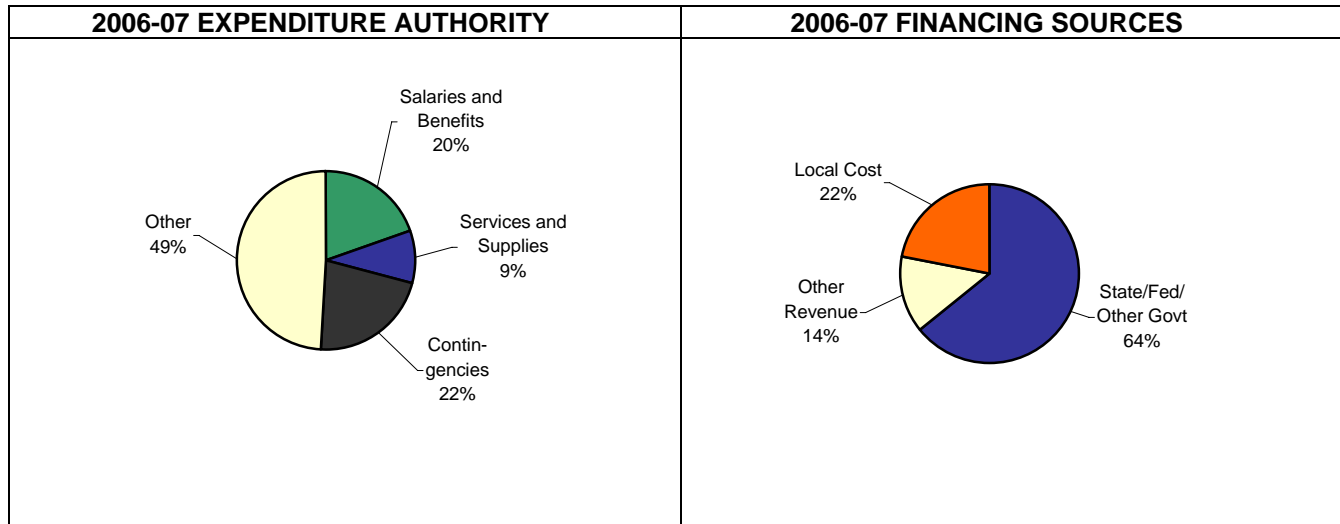
Appropriation savings of \$70,756 in other charges is anticipated due to greater than anticipated attrition of providers receiving health benefits and lower participation than expected in the provider training stipend program.

Appropriation savings of \$31,372 in transfers is anticipated due to a reduction in costs for registrar services.

Appropriation savings of \$64,586 in reimbursements is anticipated due to less federal funds used for provider training stipends.



ANALYSIS OF PROPOSED BUDGET



GROUP: Other Agencies
DEPARTMENT: IHSS Public Authority
FUND: IHSS Public Authority

BUDGET UNIT: RHH 498 498
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Salaries and Benefits	-	611,363	899,570	1,009,280	1,090,003	1,213,058	123,055
Services and Supplies	-	239,124	451,607	581,939	698,834	570,221	(128,613)
Central Computer	-	6,002	13,088	14,202	17,000	17,946	946
Other Charges	-	-	2,522,241	4,004,979	2,875,735	2,901,412	25,677
Transfers	-	22,421	81,762	120,230	151,602	138,181	(13,421)
Contingencies	-	-	-	-	1,352,546	1,352,546	-
Total Exp Authority	-	878,910	3,968,268	5,730,630	6,185,720	6,193,364	7,644
Reimbursements	-	-	(6,131)	(27,214)	(91,800)	-	91,800
Total Appropriation	-	878,910	3,962,137	5,703,416	6,093,920	6,193,364	99,444
Departmental Revenue							
Use Of Money and Prop	-	20,795	17,746	14,025	18,000	20,000	2,000
State, Fed or Gov't Aid	-	638,532	3,075,713	4,691,633	3,842,263	3,977,175	134,912
Other Revenue	-	80	15	2,563	4,800	-	(4,800)
Other Financing Sources	-	184,909	868,734	995,195	836,576	843,643	7,067
Total Revenue	-	844,316	3,962,208	5,703,416	4,701,639	4,840,818	139,179
Local Cost	-	34,594	(71)	-	1,392,281	1,352,546	(39,735)
Budgeted Staffing					21.0	22.0	1.0

Salary and benefits costs will increase \$123,055 in 2006-07. This increase is a combination of additional staff, salary steps, retirement, and worker's compensation cost increases. Staffing increased by 1 budgeted position for an Office Assistant III contract position to assist with the increased workload required to process employment verification documents for IHSS providers.

Services and supplies costs will decrease \$128,613 due to the following:

- Reduction in printing and mailing costs due to a reduction in processing open enrollment packages for provider health benefits.



- Reduction in professional services for background checks and fingerprinting due to fewer provider registry applicants.

Other charges will increase \$25,677 for medical benefits provided to eligible IHSS service providers in 2006-07. Total appropriations and revenue budgeted for health care benefits in 2006-07 are \$2,941,147. Federal and state reimbursement will cover approximately \$2,426,147 of total expenditures for health care benefits. The remaining \$515,000 is local share. The local share will be funded with Social Services Realignment.

Transfers will decrease by \$13,421 due to a reduction for negotiation services from human relations.

Reimbursements will decrease by \$91,800 due to stipends for provider training ending June 30, 2006.



COUNTY OF SAN BERNARDINO ECONOMIC AND COMMUNITY DEVELOPMENT CORPORATION

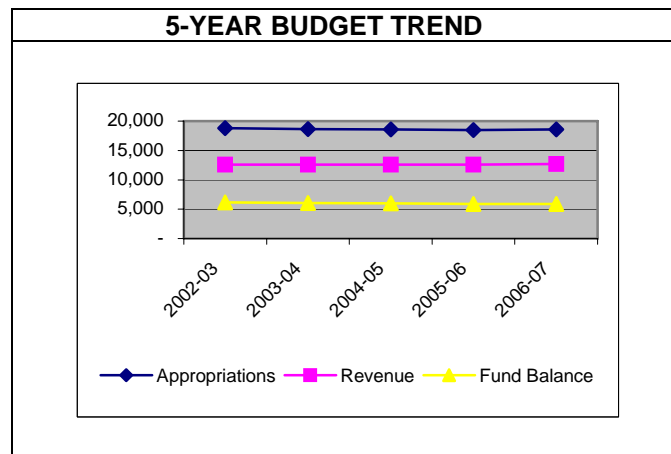
Brian P. McGowan

DESCRIPTION OF MAJOR SERVICES

In September 1987 the Board of Supervisors formed the County of San Bernardino Economic and Community Development Corporation to provide additional methods of financing the acquisition of property, for and on behalf of private enterprise, to promote and enhance economic development and increase opportunities for useful employment. Another primary purpose was added in July 1998, to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary, and affordable housing. The annual Economic and Community Development Corporation budget provides for professional services related to the issuance of bonds, promotion of the financing program, and other program related costs. Economic and Community Development Corporation is a function within the Economic Development Agency.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

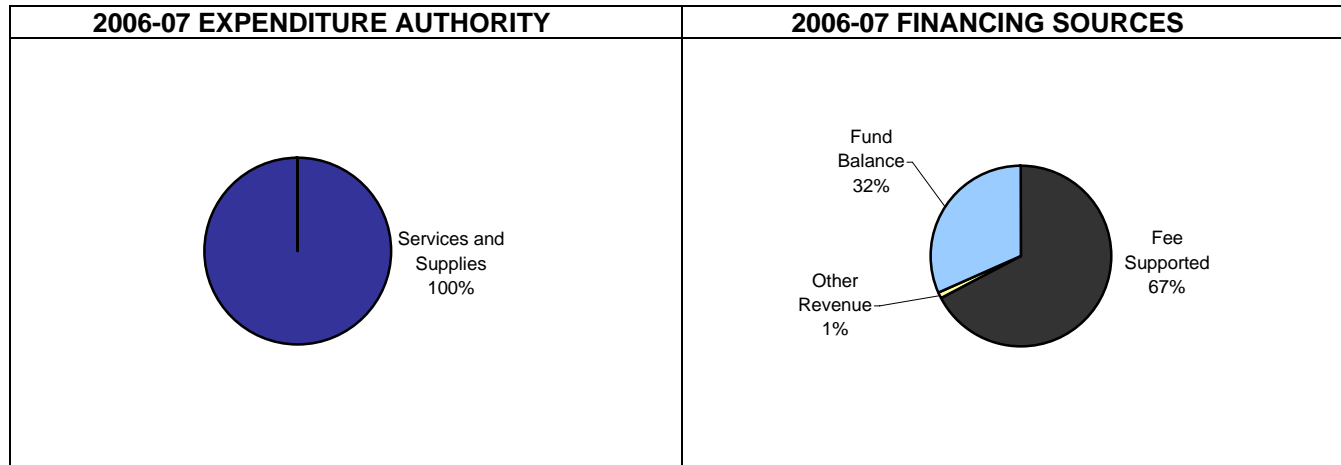
	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	218	170	75	18,472	129
Departmental Revenue	61	93	(35)	12,600	160
Fund Balance				5,872	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, the actual expenditures in this fund are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.

Estimated revenue is less than budgeted because no bonds were issued due to low market interest rates.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Community Development and Housing
FUND: Economic Development Corp

BUDGET UNIT: SFI 499
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
<u>Appropriation</u>							
Services and Supplies	218	170	75	129	18,472	18,603	131
Total Appropriation	218	170	75	129	18,472	18,603	131
<u>Departmental Revenue</u>							
Use Of Money and Prop	61	93	(35)	160	100	200	100
Current Services	-	-	-	-	12,500	12,500	-
Total Revenue	61	93	(35)	160	12,600	12,700	100
Fund Balance					5,872	5,903	31



COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (COIDA)

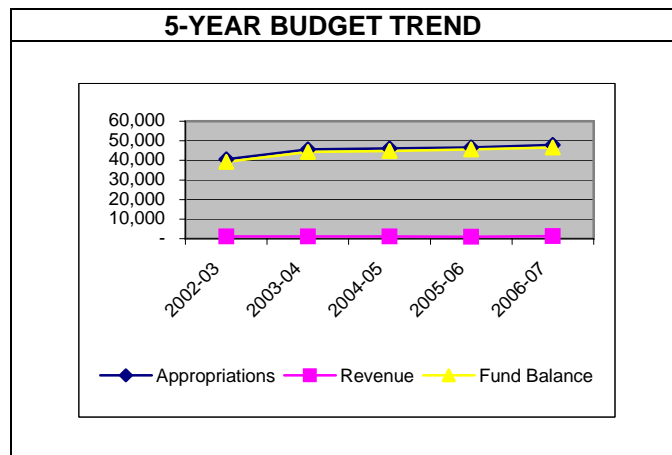
Brian P. McGowan

DESCRIPTION OF MAJOR SERVICES

In March 1981 the Board of Supervisors created the San Bernardino County Industrial Development Authority (CoIDA) to issue tax-exempt industrial bonds for the furtherance of economic development and the creation of new jobs within the County. The annual CoIDA budget provides for funding for the cost of professional services related to the issuance of bonds, promotion of the financing program and other program related costs. CoIDA is a function within the Economic Development Agency.

There is no staffing associated with this budget unit.

BUDGET HISTORY



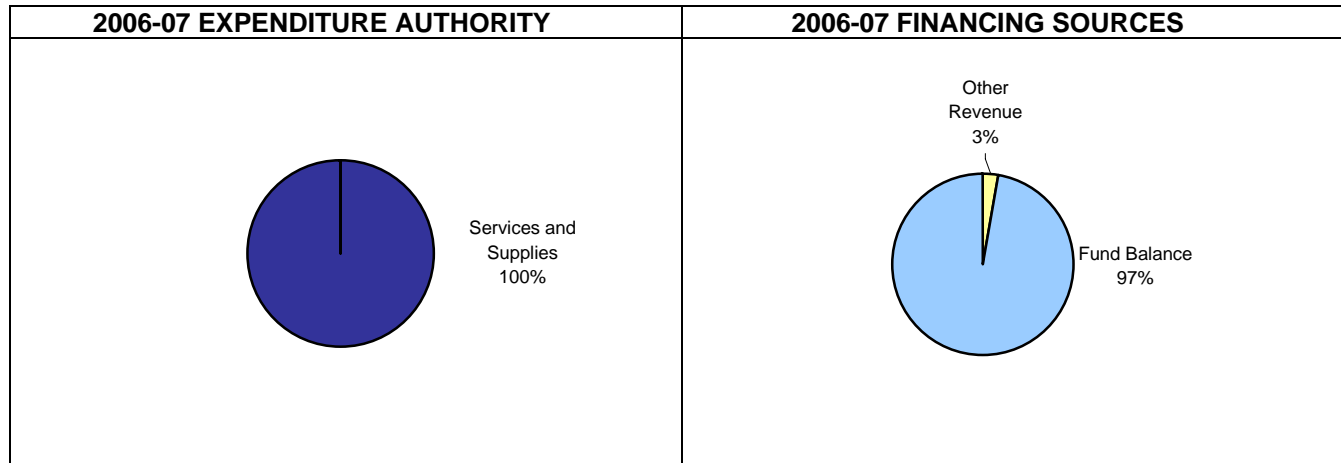
PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	901	378	229	46,570	100
Departmental Revenue	1,465	870	962	1,000	1,200
Fund Balance				45,570	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, the actual expenditures in this fund are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Community Development and Housing
FUND: Industrial Development Authority

BUDGET UNIT: SPG 510
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
<u>Appropriation</u>							
Services and Supplies	901	378	229	100	46,570	47,970	1,400
Total Appropriation	901	378	229	100	46,570	47,970	1,400
<u>Departmental Revenue</u>							
Use Of Money and Prop	1,245	870	962	1,200	1,000	1,300	300
Other Revenue	220	-	-	-	-	-	-
Total Revenue	1,465	870	962	1,200	1,000	1,300	300
Fund Balance					45,570	46,670	1,100



REDEVELOPMENT AGENCY

Kathleen Thomas

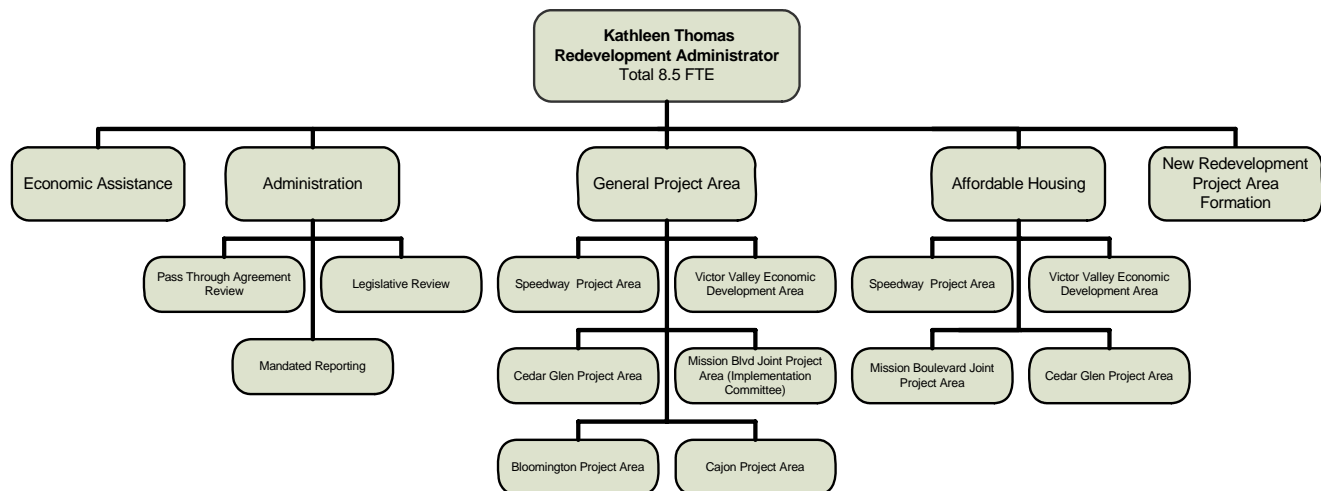
MISSION STATEMENT

The county's Redevelopment Agency serves to improve economic opportunities and affordable living conditions within established redevelopment project areas in the unincorporated county through the effective and efficient utilization of California Redevelopment Law, appropriate use of tax increment revenues and cooperative programs with other county agencies and communities.

STRATEGIC GOALS

1. Elimination and Prevention of blighted conditions within unincorporated areas of the county.
2. Retention of business currently located within project areas.
3. Promote Economic Development in project areas through attraction of new business.
4. Rehabilitation of affordable housing for low and moderate-income households benefiting project areas.
5. Augmentation of the supply of low and moderate housing benefiting project areas.

ORGANIZATIONAL CHART



SUMMARY OF PROJECT AREAS

	2006-07			
	Appropriation	Revenue	Fund Balance	Staffing
Speedway Project Area	61,537,960	9,703,950	51,834,010	8.5
Cedar Glen Project Area	9,870,863	119,000	9,751,863	-
VVEDA Project Area	899,051	138,000	761,051	-
Mission Joint Project Area	94,038	42,765	51,273	-
Proposed Bloomington Project Area	90,181	5,000	85,181	-
Proposed Cajon Project Area	154,942	5,000	149,942	-
TOTAL	72,647,035	10,013,715	62,633,320	8.5

Detailed information for each project area is provided, along with a description of the services, budget unit history, applicable performance measures, and policy item requests.



Speedway Project Area

DESCRIPTION OF MAJOR SERVICES

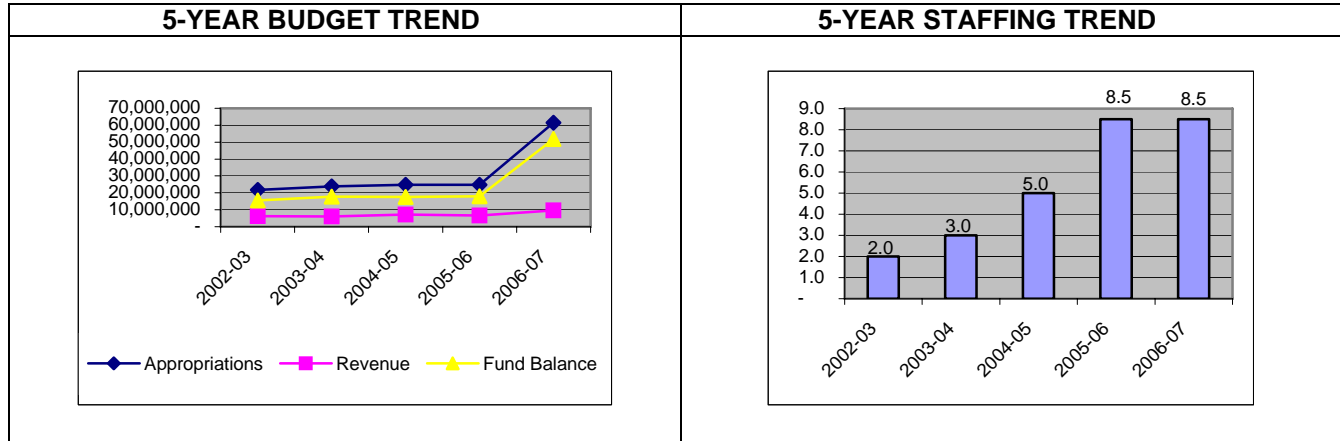
In 1995, the entire former Kaiser Steel site and other blighted industrial property in its vicinity were incorporated into the Speedway Redevelopment Project Area (formerly known as San Sevaine Project Area). The major objectives of the project area are to encourage private sector investment in the development and redevelopment of the area by removing impediments to growth, eliminating and/or preventing the spread of blight and deterioration, and correcting infrastructure deficiencies. An amendment to the Speedway Project Area was adopted in November 2004, expanding the area by approximately 40% and approving other administrative changes. A second amendment to the project area was adopted on November 1, 2005, reducing the project area by 15%. This amendment was done to allow the City of Fontana to proceed with plans to incorporate the area removed from the project area.

On November 15, 2005, the Board of Supervisors/Directors approved the issuance of approximately \$58,275,000 in tax allocations bonds and approved the refunding of the 2000 bonds issued in January 2000. Net proceeds from the sale of these bonds of \$34,650,935 (general operating funds \$25,431,395; housing funds \$9,219,540) will be used to finance infrastructure improvements within the Speedway Project Area and provide affordable housing.

Included in this project area are housing funds which are used to conserve and/or expand the supply of affordable housing to low and moderate-income households. Based on regulations 20% of the gross tax increment revenues are set aside and used for affordable housing.

Redevelopment Agency administrative costs, including all staffing costs for the Redevelopment Agency, are accounted for in this project area, but are allocated to the other project areas based on time studies.

BUDGET HISTORY



PERFORMANCE HISTORY

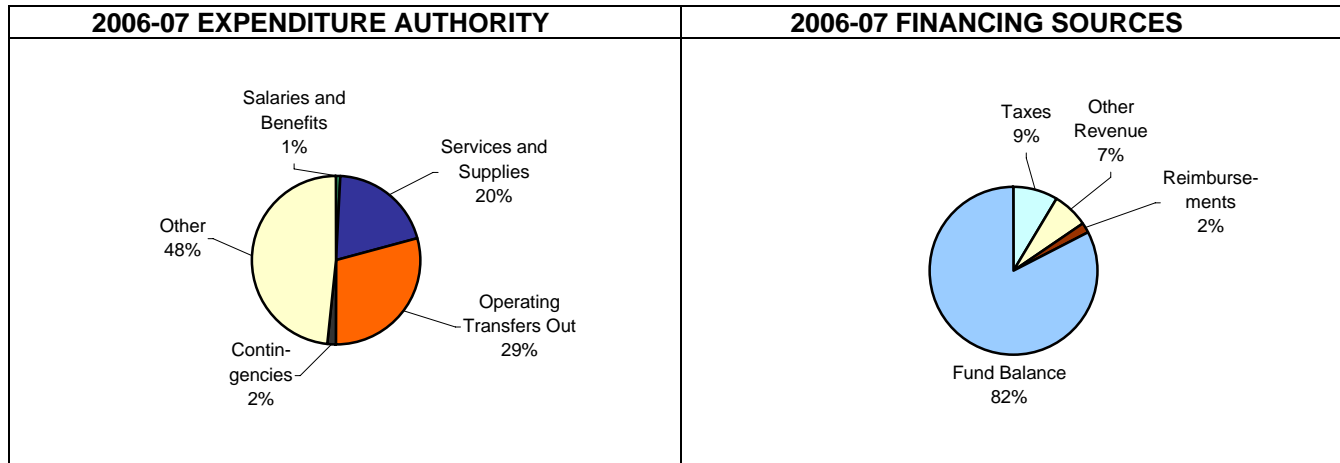
	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	4,865,665	10,200,861	9,387,758	25,320,456	8,179,199
Departmental Revenue	7,198,162	8,325,849	9,796,641	7,286,275	41,979,028
Fund Balance				18,034,181	
Budgeted Staffing				8.5	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.

San Sevaine Bond Series 2005 A was funded in December, 2005 with net proceeds of \$34,650,935. General projects to be undertaken with these bond proceeds include work on the Etiwanda/San Sevaine Flood Control Channel (South), West Fontana Flood Control Channel, road work on the Cherry/I-10 interchange, road construction on Cherry and San Bernardino Avenues, the construction of a fire station, land acquisition, and economic incentives for business acquisition within the project area. Proceeds allocated for housing projects will be used for land acquisition, mortgage write downs, residential rehab grants, and affordable housing development assistance.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: Speedway Project Area

BUDGET UNIT: DBR, SPD, SPE, SPF & SPH
FUNCTION: General
ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Salaries and Benefits	177,978	191,736	349,242	570,500	702,911	756,802	53,891
Services and Supplies	274,484	1,511,268	2,308,372	1,064,382	14,640,294	17,657,462	3,017,168
Central Computer	1,009	558	317	145	142	4,418	4,276
Other Charges	1,474,234	1,583,359	1,648,769	1,668,493	1,637,635	3,892,350	2,254,715
Land and Improvements	-	-	-	3,258,338	258,338	4,500,000	4,241,662
Equipment	-	-	-	14,400	-	-	-
Transfers	605,268	3,908,034	471,924	803,351	2,758,820	5,062,348	2,303,528
Contingencies	-	-	-	-	1,603,077	1,603,077	-
Total Exp Authority	2,532,973	7,194,955	4,778,624	7,379,609	21,601,217	33,476,457	11,875,240
Reimbursements	(312,538)	(302,294)	(202,237)	(772,271)	(415,015)	(1,188,998)	(773,983)
Total Appropriation	2,220,435	6,892,661	4,576,387	6,607,338	21,186,202	32,287,459	11,101,257
Operating Transfers Out	2,645,230	3,308,200	4,811,371	1,571,861	3,539,114	29,250,501	25,711,387
Total Requirements	4,865,665	10,200,861	9,387,758	8,179,199	24,725,316	61,537,960	36,812,644
Departmental Revenue							
Taxes	4,049,874	4,735,235	4,661,700	4,905,000	4,885,000	5,395,500	510,500
Use Of Money and Prop	499,309	356,437	396,409	849,600	219,000	511,100	292,100
State, Fed or Gov't Aid	-	217	170	-	-	-	-
Current Services	-	-	(73,009)	-	-	-	-
Other Revenue	3,749	760	-	-	-	-	-
Other Financing Sources	-	-	600,000	34,650,935	-	-	-
Total Revenue	4,552,932	5,092,649	5,585,270	40,405,535	5,104,000	5,906,600	802,600
Operating Transfers In	2,645,230	3,233,200	4,211,371	1,573,493	1,587,135	3,797,350	2,210,215
Total Financing Sources	7,198,162	8,325,849	9,796,641	41,979,028	6,691,135	9,703,950	3,012,815
Fund Balance					18,034,181	51,834,010	33,799,829
Budgeted Staffing					8.5	8.5	-

In 2006-07, the department will incur increased costs to maintain current services, such as negotiated labor agreements, retirement, risk management, central computer and inflationary services & supplies purchases; and will incur decreased costs in worker's compensation. These costs are reflected in the Change From 2005-06 Final Budget column, along with changes related to department recommendations.

Services and supplies has increase by approximately \$6.0 million for housing programs and road improvements, offset by a decrease in fund balance of approximately \$3.0 million. Land and improvements have increased as a result of the voluntary land purchase program for the Rosemary/Iris properties located in the project area. Transfers to other county departments have increased by \$2.3 million primarily for road and flood control projects. Operating transfers out has increased by \$20 million as a result of the bond proceeds budgeted in



2006-07; however the expenditures will take place in future fiscal years. Other increases included in operating transfers out are for a fire station and debt services payments.

The budgeted revenue reflects an anticipated increase in tax increment revenue of \$500,000 and in interest revenue of \$300,000. In addition, operating transfers in have increased as a result of the debt service payments for the Series 2005 A bonds.

PERFORMANCE MEASURES		
Description of Performance Measure	Estimated 2005-06	Proposed 2006-07
Complete development standards for each project area within 12 months after the project area adoption.		100%
Process reimbursement of the agreed upon capital projects within 10 business days.		70%
Complete investigation of code enforcement complaints within 5 days of receipt.		70%
Achieve compliance with Code Enforcement directive within 30 days.		25%
Complete initial review of financial requests within 30 days.		75%
Provide assistance packages that retain viable and eligible business.		For 60% of requests received
Set meeting with other applicable county department and businesses within 15 days of request for assistance.		80%
Develop business retention assistance package.		For 60% of requests received
Number of direct and indirect marketing efforts.		10% Increase
Complete initial reviews of financial assistance requests within 30 days of receipt.		75%
Provide assistance packages that attract viable and eligible new business.		For 30% of requests received
Complete initial review of submitted applications within 90 days.		90%
Process eligible applications within 6 months.		90%
Complete projects with final approval within 1 year.		75%
Complete initial review of submitted applications within 90 days.		90%



PERFORMANCE MEASURES		
Description of Performance Measure	Estimated 2005-06	Proposed 2006-07
Process eligible applications within 6 months.		90%
Complete projects with final approval within 1 year.		75%
Complete initial review of submitted applications within 90 days.		90%
Process eligible applications within 1 year.		80%
Complete projects with final approval within 2 years of compliance of applicant.		75%
Complete initial review of submitted applications within 90 days.		90%
Process eligible applications within 6 months of receipt of completed application.		80%



Cedar Glen Project Area

DESCRIPTION OF MAJOR SERVICES

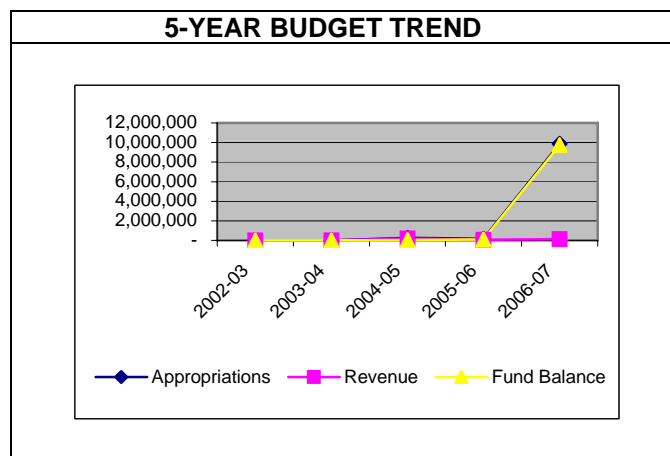
In 2004, the Cedar Glen Disaster Recovery Redevelopment Plan was adopted to assist with the rebuilding of part of the area destroyed by the 2003 Old Fire. The Project Area began to receive tax increment revenues in 2005-06.

Included in this project area are housing funds, which are used to conserve and/or expand the supply of affordable housing to low and moderate-income households. Based on regulations, 20% of the gross tax increment revenues are set aside and used for affordable housing.

Initial plan preparation and operating expenses are funded through a \$75,000 loan from the San Seivaine Project Area and a \$290,000 loan from the county general fund. In addition, on December 6, 2005 the Board of Supervisors approved a loan of \$10 million from the county general fund to the Cedar Glen Project Area to begin the water and road improvements. The loans will be repaid when the project area generates sufficient tax increment revenues or other financing is available.

There are no budgeted positions assigned to this project area, however administrative and staffing costs are allocated to this project area based on time studies.

BUDGET HISTORY



PERFORMANCE HISTORY

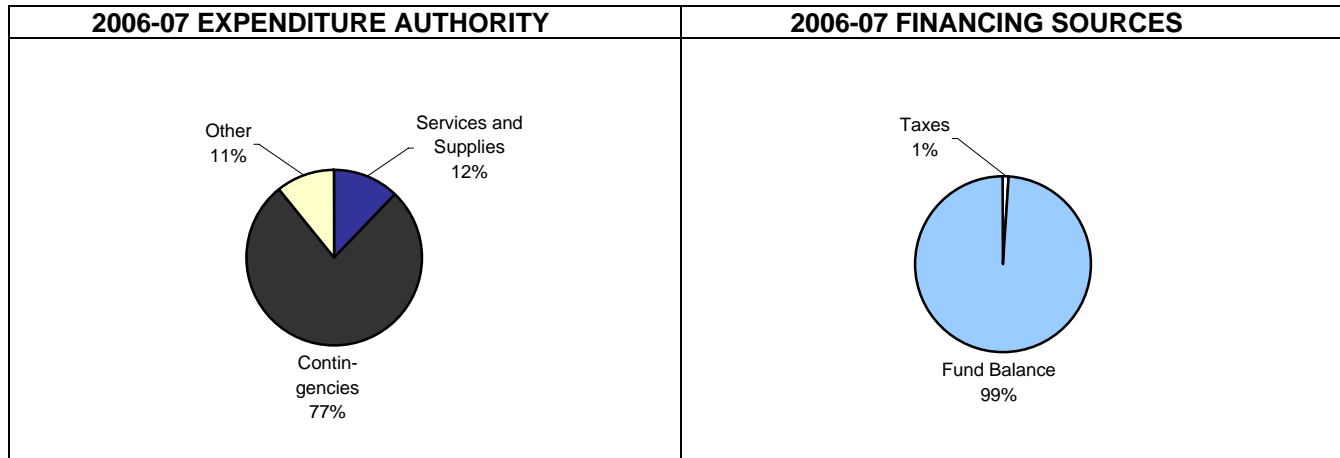
	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	-	28,576	156,767	10,242,003	535,340
Departmental Revenue	-	75,226	293,426	10,149,000	10,194,200
Fund Balance	-			93,003	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.

Tax Increment revenues were received for the first time in 2005-06 and were greater than budgeted for the year by \$41,000. In addition, two general fund loans were received for projects within the Cedar Glen Disaster Recovery Project Area in 2005-06, one for \$75,000 and the second for \$10 million. Proceeds from these general fund loans will be used to pay operating and approved project costs. As required by the loan terms \$7.6 million of the loan proceeds has been placed into contingencies for future approved projects.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: Cedar Glen Disaster Project Area

BUDGET UNIT: SPK, SPL
FUNCTION: General
ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Services and Supplies	-	2,787	111,473	137,800	97,862	1,198,093	1,100,231
Land and Improvements	-	-	-	-	-	370,420	370,420
Transfers	-	25,789	45,294	385,540	57,141	702,350	645,209
Contingencies	-	-	-	-	-	7,600,000	7,600,000
Total Appropriation	-	28,576	156,767	523,340	155,003	9,870,863	9,715,860
Operating Transfers Out	-	-	-	12,000	-	-	-
Total Requirements	-	28,576	156,767	535,340	155,003	9,870,863	9,715,860
Departmental Revenue							
Taxes	-	-	-	101,000	60,000	112,200	52,200
Use Of Money and Prop	-	226	3,426	6,200	2,000	6,800	4,800
Other Financing Sources	-	-	-	10,075,000	-	-	-
Total Revenue	-	226	3,426	10,182,200	62,000	119,000	57,000
Operating Transfers In	-	75,000	290,000	12,000	-	-	-
Total Financing Sources	-	75,226	293,426	10,194,200	62,000	119,000	57,000
Fund Balance					93,003	9,751,863	9,658,860

The budgeted increase in services and supplies is for housing and business assistance programs. The increase in the land and improvements budget is for the purchase of land for road improvements. The increase in budgeted contingencies of \$7.6 million is the balance of the \$10 million loan received from the county general fund in December 2005. Per the loan agreement, the Board of Supervisors must approve all additional projects utilizing the loan funds. Upon approval, of additional projects, the funds will be transferred to the appropriate expenditure category for use.



Victor Valley Economic Development Authority Project Area

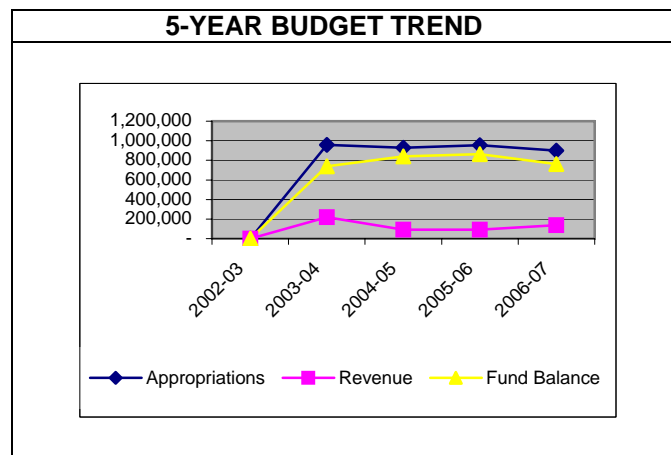
DESCRIPTION OF MAJOR SERVICES

In 1993, the Victor Valley Redevelopment Project was established for the purpose of providing economic development at the former George Air Force Base. The project area was a joint project of the Cities of Adelanto, Hesperia, Victorville, the Town of Apple Valley, and the County of San Bernardino. The project is under the direction of the Victor Valley Economic Development Authority (VVEDA) and is administered by the City of Victorville. The county receives a portion of the tax increment generated within the unincorporated areas of the project area, which must be expended on programs within the unincorporated portion of the project area.

Included in this project area are housing funds which are used to conserve and/or expand the supply of affordable housing to low and moderate-income households. Based on regulations 20% of the gross tax increment revenues are set aside and used for affordable housing.

There are no budgeted positions assigned to this project area, however administrative and staffing costs are allocated to this project area based on time studies.

BUDGET HISTORY



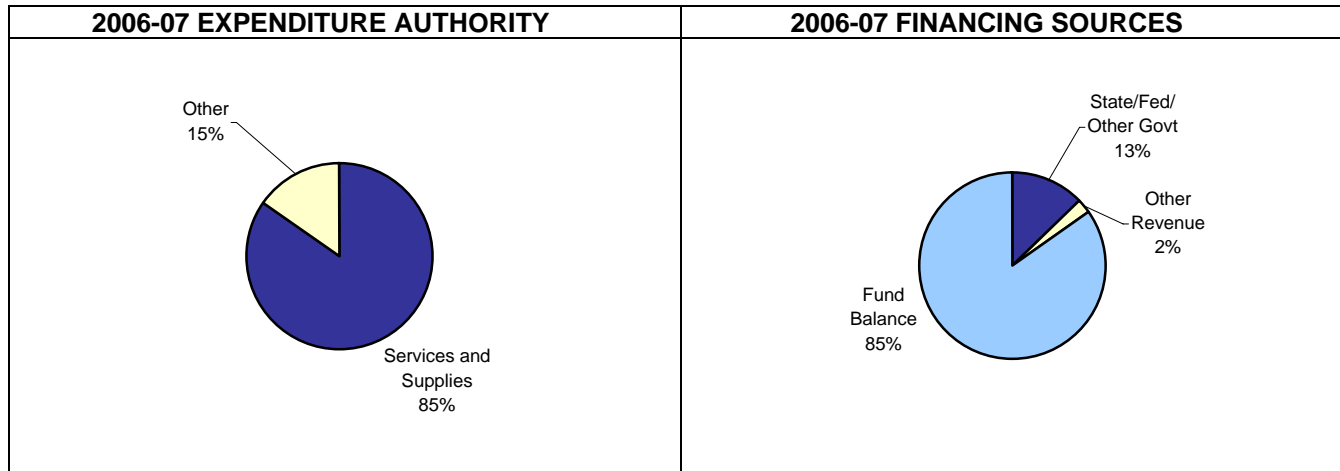
PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	217,551	90,617	47,425	955,134	225,383
Departmental Revenue	383,781	181,060	37,465	91,000	122,300
Fund Balance				864,134	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: VVEDA

BUDGET UNIT: MPV, MPW
FUNCTION: General
ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Services and Supplies	1,665	30,500	31,649	92,100	822,874	762,829	(60,045)
Other Charges	6,659	8,532	(8,532)	42,000	13,000	33,000	20,000
Transfers	209,227	51,585	24,308	91,283	119,260	103,222	(16,038)
Total Appropriation	217,551	90,617	47,425	225,383	955,134	899,051	(56,083)
Departmental Revenue							
Use Of Money and Prop	20,810	20,461	17,163	22,200	17,000	22,200	5,200
State, Fed or Gov't Aid	194,414	160,599	20,302	100,100	74,000	115,800	41,800
Total Revenue	215,224	181,060	37,465	122,300	91,000	138,000	47,000
Operating Transfers In	168,557	-	-	-	-	-	-
Total Financing Sources	383,781	181,060	37,465	122,300	91,000	138,000	47,000
Fund Balance					864,134	761,051	(103,083)

Tax increment and interest revenue are anticipated to increase in 2006-07. Expenditures have been reduced as a result of a decrease in professional services in 2006-07.



Mission Boulevard Joint Redevelopment Project Area

DESCRIPTION OF MAJOR SERVICES

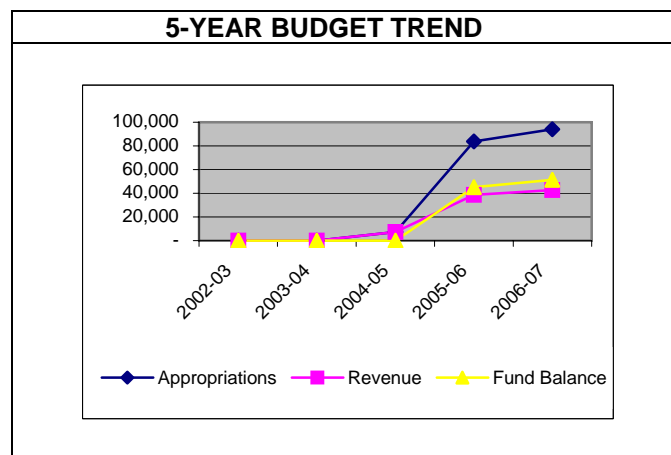
In 2003, the County of San Bernardino approved the Mission Boulevard Joint Redevelopment Project Area, a joint project with the City of Montclair. Pursuant to the terms of the Redevelopment Plan and a Cooperation and Implementation Agreement, the City of Montclair has the administrative responsibility of managing the general redevelopment activities. The county and the city each administer the housing set-aside funds generated in each jurisdiction's territory.

The County of San Bernardino's Mission Boulevard Joint Project Area only includes housing set aside funds, which are used to conserve and/or expand the supply of affordable housing to low and moderate-income households.

A \$50,000 loan was received from the county general fund in 2004-05 to cover costs until sufficient tax increment revenue is generated to repay the loan.

There are no budgeted positions assigned to this project area, however administrative and staffing costs are allocated to this project area based on time studies.

BUDGET HISTORY

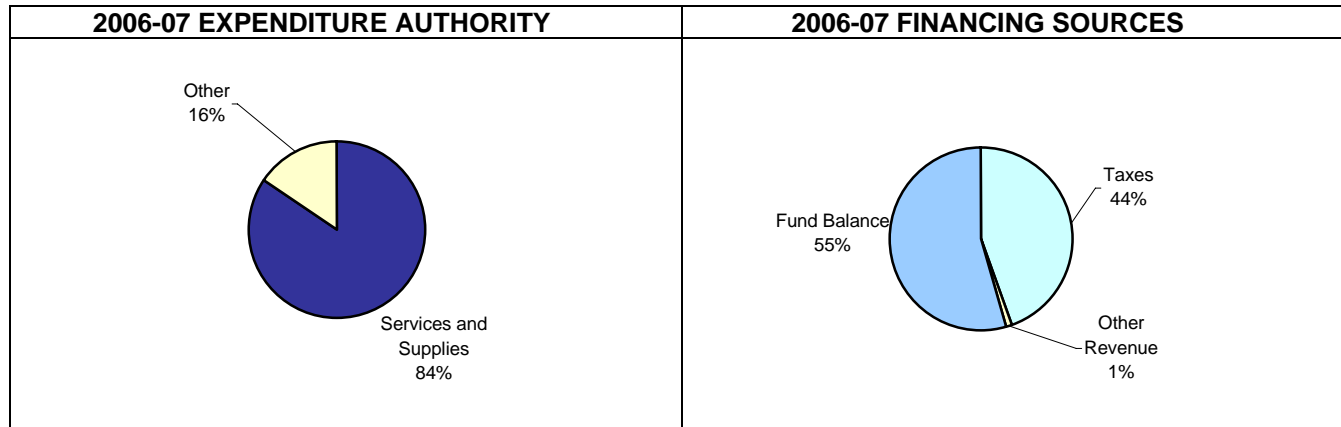


PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	-	-	10,091	83,757	35,832
Departmental Revenue	-	-	6,538	38,600	41,948
Fund Balance	-	-		45,157	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.

ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: Mission Blvd Joint Project Area

BUDGET UNIT: SPM MIS
FUNCTION: General
ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
<u>Appropriation</u>							
Services and Supplies	-	-	31	825	69,087	79,292	10,205
Transfers	-	-	10,060	35,007	14,670	14,746	76
Total Appropriation	-	-	10,091	35,832	83,757	94,038	10,281
<u>Departmental Revenue</u>							
Taxes	-	-	-	40,848	37,500	41,665	4,165
Use Of Money and Prop	-	-	467	1,100	1,100	1,100	-
Total Revenue	-	-	6,538	41,948	38,600	42,765	4,165
Fund Balance					45,157	51,273	6,116



Proposed Bloomington Project Area

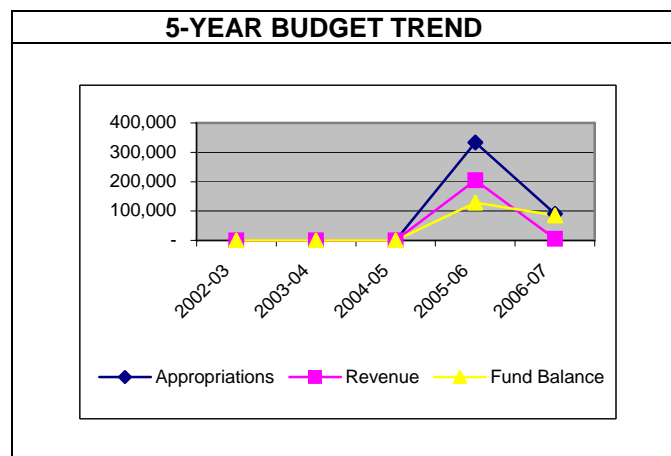
DESCRIPTION OF MAJOR SERVICES

In 2004, the Redevelopment Agency began initial steps toward the creation of a new project area in the Bloomington community. On August 17, 2004, the Board received and filed the feasibility study concerning a possible redevelopment project area for Bloomington. The criteria reviewed in the study were meeting the 80% urbanization criteria under California Redevelopment Law (CRL), meeting the blight conditions under CRL, and being economically feasible as redevelopment project area. The report determined that the Bloomington area would qualify as project area. On November 9, 2004, the Board adopted a resolution to begin the process to adopt a Redevelopment Plan for the Bloomington area. It is anticipated that this proposed project area, if adopted and the ordinance and redevelopment plan transmitted to the State Board of Equalization before November 30, 2006, will begin to receive tax increment revenue in 2007-08.

Plan preparation expenses are funded through \$500,000 in loans from the county general fund. The loans will be repaid if the project area is established and when the project area generates sufficient tax increment revenues or other financing is available.

There are no budgeted positions assigned to this proposed project area, however administrative and staffing costs are allocated to this project area based on time studies.

BUDGET HISTORY



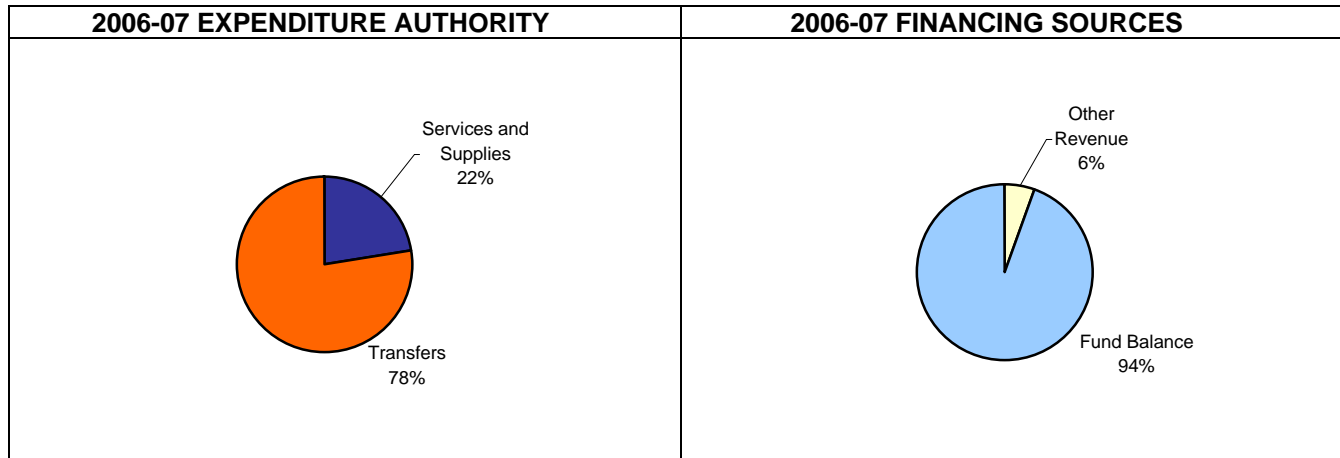
PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	-	-	173,744	333,835	252,354
Departmental Revenue	-	-	302,579	205,000	208,700
Fund Balance	-	-		128,835	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: Bloomington Proposed Project Area

BUDGET UNIT: SPN BLO
FUNCTION: General
ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Services and Supplies	-	-	111,170	82,700	246,604	20,221	(226,383)
Transfers	-	-	62,574	169,654	87,231	69,960	(17,271)
Total Appropriation	-	-	173,744	252,354	333,835	90,181	(243,654)
Departmental Revenue							
Use Of Money and Prop	-	-	2,579	8,700	5,000	5,000	-
Total Revenue	-	-	2,579	8,700	5,000	5,000	-
Operating Transfers In	-	-	300,000	200,000	200,000	-	(200,000)
Total Financing Sources	-	-	302,579	208,700	205,000	5,000	(200,000)
Fund Balance					128,835	85,181	(43,654)

In 2006-07, the department will incur decreased costs in services and supplies of \$226,383 as a result of one time studies being completed or encumbered in 2005-06 and funding limitations. Transfers to San Sevine to cover allocated staffing and administrative costs associated with the project area are budgeted to decrease by \$17,271 due to finding limitations.

Included with this budget is a policy item requesting a general fund loan of \$140,000 to cover allocated staff time, professional services, and administrative costs. Without this loan there will be insufficient resources to cover all anticipated expenses for the 2006-07 to continue consideration of the Proposed Project Area.



POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance	Proposed 2006-07 Performance Measurement
1	<p>Loan from General Fund</p> <p>Loan from General Fund to cover allocated staff time, professional services, and administrative costs of \$140,000. This additional \$140,000 General Fund loan will bring the loan total for this proposed project area to \$640,000. The County loans bear an interest rate that is 1% greater than the County's pooled investment rate. The CoRDA will repay the County with tax increment revenue generated in the project areas within ten years. Should the project areas not be formed, the County will forgive the loan. As a result of this action, the general fund's unreserved fund balance would be decreased by \$140,000, which means that these funds will not be available to the general fund for appropriations until repaid.</p> <p>Without this loan there will be insufficient resources to cover all anticipated expenses for the fiscal year 2006/07 to continue consideration of the Proposed Project Area.</p> <p>If this project area is approved, due to the delay in the receipt of tax increment revenue, additional loan funds will be required for an economic study estimated at a cost of \$50,000 and housing studies estimated at \$25,000. Loans would be required to pay for these reports because they would need to be completed prior to the initial receipt of tax increment from the area.</p> <p>If the project area is formed prior to November 30, then the initial tax increment would be received the following fiscal year.</p>	-	-	-	-	
Total		-	-	-	-	



Proposed Cajon Project Area

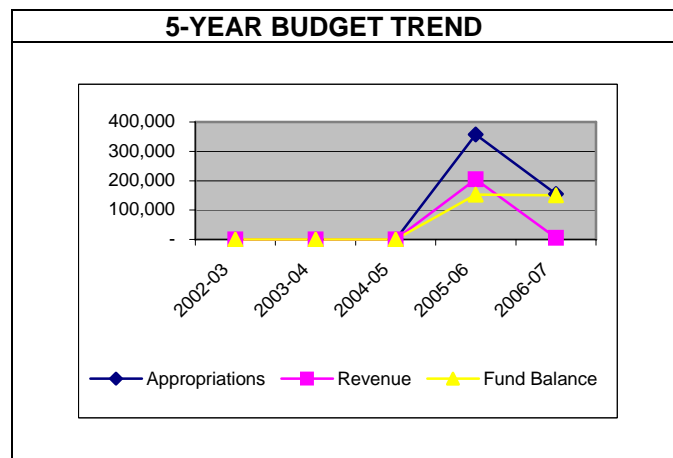
DESCRIPTION OF MAJOR SERVICES

In 2004, the Redevelopment Agency began initial steps toward the creation of a new project area in the Cajon community (areas in and around Muscoy). On August 17, 2004, the Board received and filed the feasibility study concerning a possible redevelopment project area for Cajon. The criteria reviewed in the study were meeting the 80% urbanization criteria under California Redevelopment Law (CRL), meeting the blight conditions under CRL, and being economically feasible as redevelopment project area. The report determined that the Cajon area would qualify as project area. On November 9, 2004, the Board adopted a resolution to begin the process to adopt a Redevelopment Plan for the Cajon area. It is anticipated that this proposed project area, if adopted and the ordinance and redevelopment plan transmitted to the State Board of Equalization before November 30, 2006, will begin to receive tax increment revenue in 2007-08.

Plan preparation expenses are funded through \$500,000 in loans from the county general fund. The loans will be repaid if the project area is established and when the project area generates sufficient tax increment revenues or other financing is available.

There are no budgeted positions assigned to this proposed project area, however administrative and staffing costs are allocated to this project area based on time studies.

BUDGET HISTORY



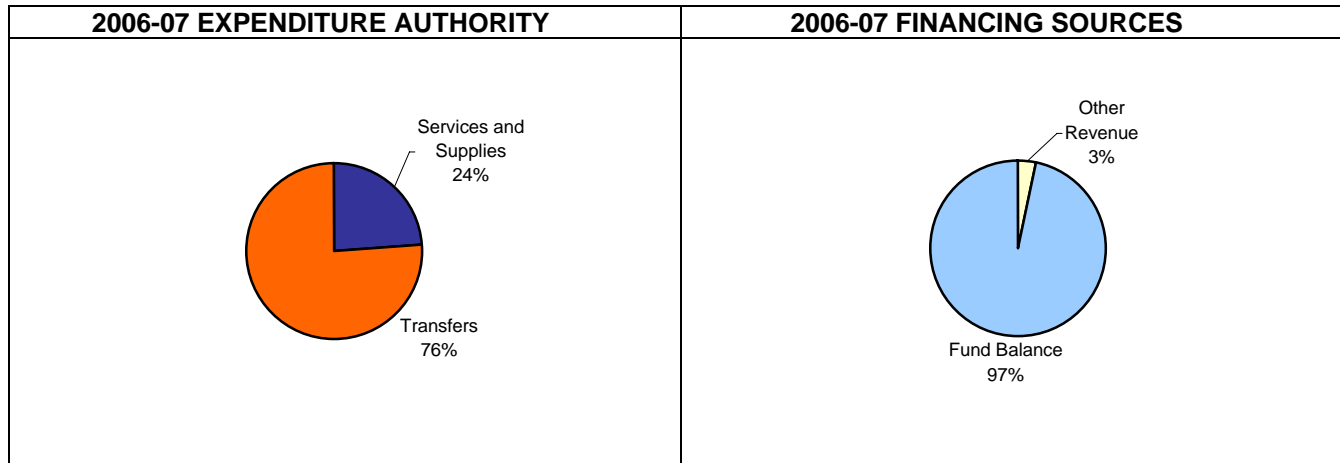
PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	-	-	150,351	357,304	211,462
Departmental Revenue	-	-	302,655	205,000	209,100
Fund Balance	-	-	-	152,304	-

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.



ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: Cajon Proposed Project Area

BUDGET UNIT: SPO MUS
FUNCTION: General
ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
<u>Appropriation</u>							
Services and Supplies	-	-	93,544	89,100	273,895	36,982	(236,913)
Transfers	-	-	56,807	122,362	83,409	117,960	34,551
Total Appropriation	-	-	150,351	211,462	357,304	154,942	(202,362)
<u>Departmental Revenue</u>							
Use Of Money and Prop	-	-	2,655	9,100	5,000	5,000	-
Total Revenue	-	-	2,655	9,100	5,000	5,000	-
Operating Transfers In	-	-	300,000	200,000	200,000	-	(200,000)
Total Financing Sources	-	-	302,655	209,100	205,000	5,000	(200,000)
Fund Balance					152,304	149,942	(2,362)

In 2006-07, the department will incur decreased costs in services and supplies of \$236,913 as a result of one time studies being completed or encumbered in 2005-06 and funding limitations. Transfers to San Sevine to cover allocated staffing and administrative costs associated with the project area are budgeted to increase by \$34,551.

Included with this budget is a policy item requesting a general fund loan of \$60,000 to cover allocated staff time, professional services, and administrative costs. Without this loan there will be insufficient resources to cover all anticipated expenses for the fiscal year 2006-07 to continue consideration of the Proposed Project Area.



POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance	Proposed 2006-07 Performance Measurement
1	Loan from General Fund Loan from general fund to cover allocated staff time, professional services, and administrative costs of \$60,000. This additional \$60,000 General Fund loan will bring the loan total for this proposed project area to \$560,000. The county loans bear an interest rate that is 1% greater than the county's pooled investment rate. The CoRDA will repay the county with tax increment revenue generated in the project areas within ten years. Should the project areas not be formed, the county will forgive the loan. As a result of this action, the general fund's unreserved fund balance would be decreased by \$60,000, which means that these funds will not be available to the general fund for appropriations until repaid. Without this loan there will be insufficient resources to cover all anticipated expenses for the fiscal year 2006-07 to continue consideration of the Proposed Project Area. If this project area is approved, due to the delay in the receipt of tax increment revenue, additional loan funds will be required for an economic study estimated at a cost of \$50,000 and housing studies estimated at \$25,000. Loans would be required to pay for these reports because they would need to be completed prior to the initial receipt of tax increment from the area. If the project area is formed prior to November 30, then the initial tax increment would be received the following fiscal year.	-	60,000	-	60,000	
Total		-	60,000	-	60,000	

